Livestock
Brief
IGAD Livestock Policy Initiative
A Living from Livestock

IGAD LPI Brief 6

Why the Poorest Pastoralists are not Looking to Increased Export Markets?

A dominant development narrative is that poverty among pastoralists an be alleviated by expanded export markets. This view has led to substantial aid investment in livestock marketing as a means to reduce poverty. It holds that larger export markets increase demand in domestic markets, thereby increasing the volume and/or value of sales for pastoralists, including poor pastoralists.

A working paper commissioned by the FAO/IGAD Livestock Policy Initiative looked at the market participation of poorer livestock keepers in Ethiopia, Kenya and Sudan. The findings indicate that increased export markets a not likely to bring widespread gains to poorer livestock keepers.

Pastoral wealth and poverty

As in any livelihood system, pastoral wealth is not uniformly distributed across the community's members. For the purpose of the working paper, pastoralists were categorised according to 4 wealth groups; 'better off', 'middle' 'poor' and 'very poor'. Not surprisingly, it is the latter two groups who comprise the majority of the pastoral population in the region.

The paper finds livestock providing a more valuable capital asset than cash and pastoralists therefore pursuing a strategy of herd building. This is particularly pronounced among the 'poor' and 'very poor' groups. Other factors explaining the greater emphasis on herd building among poorer groups are the need to accumulate livestock in order to access the other livelihoods services that livestock provide and the high level of vulnerability associated with small herds.

Herd accumulation is therefore a logical economic strategy, particularly in areas with few other economic options, and means that livestock sales will be minimized until a certain threshold level of herd size is reached. Such sales as do occur are in response to a pressing need, such as medical costs, rather than to attractive market prices. Expanding export markets, even if successful in increasing the prices paid for livestock in domestic markets, are therefore unlikely to have a large scale impact on pastoralists in wealth groups 'poor' and 'very poor'

Pastoralists in the 'better off' and 'middle' groups tend to enjoy higher levels of expenditure and rely more heavily on the sale of animals to meet their requirements. They also own most of the animals which conform to the demands of export markets and most export animals are therefore sourced from these groups. As primary suppliers of export quality animals, these groups are affected most whenever export bans are imposed by trading partners,.

By contrast, the poor and the very poor own very small numbers of animals and depend more on alternative sources of income –such as contract herding for the wealthier groups, food aid, selling their labour, safety net programmes, charcoal production and so on for their survival. They are therefore shielded to an extent from the impact of export bans.

But not entirely. Although such sales as they make are mainly for the domestic market, when a ban prevents herders in the 'middle' and 'better off' groups from exporting they will redirect their attentions to domestic markets, bringing prices down.

In addition, poorer farmers will sometimes sell their stock through better of pastoralists. When these better off pastoralists lose access to export markets for their own stock, they are unlikely to buy in from their poorer neighbours.

Research indicate that the poor, in general, sell far fewer animals than better-off households.

In Mandera (Kenya), the very poor sell on average 3.5 shoats compared to 60 by the better-off in a given year

In Teltele (Ethiopia), the very poor sell on average 5 shoats compared to 92 by the better off in a given year

In Darfur (Sudan), the poor sell on average 4 shoats compared to 21 by the middle income group.

Conclusions

In summary, the poor benefit little from expanded livestock export markets.

Stabilising export markets, particularly by reducing the frequency or duration of export bans can be expected to have some benefits to poorer livestock keepers. The majority of the benefits will accrue to middle and better off wealth groups however.

Pastoralists need a minimum threshold of stock to stay in the pastoral system. As far as possible they will avoid selling stock until they have reached that threshold.

Livestock sales by poorer households are dictated by herd size, except in times of emergencies

The bigger the herd, the more the household will participate in the market.

Poverty alleviation is, therefore, intrinsically linked to the ability to increase herd size.

IGAD LPI

ONE clear purpose:

The IGAD LPI's purpose is to strengthen the capacity in IGAD, its member states, and other regional organisations and stakeholders, to formulate and implement livestock sector and related policies that sustainably reduce food insecurity and poverty.

This means raising capacities to do things differently, in terms of making the policy making process inclusive of the poor, evidence-based and livelihoods focused.

TWO areas of focus:

To achieve its purpose, IGAD LPI has established multidisciplinary stakeholder fora in all IGAD member states, through which the project supports engagement with two policy areas;

- At the national level, livestock and Poverty Reduction Strategy Papers (PRSPs)/National Development Plans
- At the regional level, the Regional Policy Framework on Animal Health in the Context of Trade and Vulnerability (RPF).

The Brief was based IGAD LPI Working Paper: Livestock Exports from Pastoralist Areas: An Analysis of Benefits by Wealth Group and Policy Implications. Working No. 02 - 10, By Yacob Aklilu and Andy Catley, Feinstein International Center, Tufts University. January 2001. This Publication and Brief is also available on IGAD LPI website: http://www.igad-lpi.org/publications.html

Published by: IGAD Livestock Policy Initiative. Opinions expressed in this Brief do not necessarily reflect positions of LPI and its affiliates: IGAD, FAO and EC and other partners. For more information, please contact: IGAD LPI Communication Office:

c/o SFE FAO Representation,
P.O.Box: 5536, Addis Ababa, Ethiopia,
E-mail: igad-lpi@cgiar.org,
Tel. +251 0116 172571/72,
www.igad-lpi.org, www.igad-data.org
Office location: ILRI Ethiopia Campus.
Pictures: ILRI & IGAD LPI